

Schedule K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

2012

For calendar year 2012, or tax
year beginning _____, 2012
ending _____, 20__

651112

Final K-1 Amended K-1 OMB No. 1545-0099

Partner's Share of Income, Deductions,
Credits, etc. ▶ See back of form and separate instructions.

Part I Information About the Partnership	
A Partnership's employer identification number [REDACTED]	
B Partnership's name, address, city, state, and ZIP code LIQUIDITY GROUP, LLC 27 HIGH TECH BLVD. THOMASVILLE, NC 27360	
C IRS Center where partnership filed return CINCINNATI	
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)	
Part II Information About the Partner	
E Partner's identifying number 2 20-3161309	
F Partner's name, address, city, state, and ZIP code BLUE CHIP CAPITAL, LLC 27 HIGH TECH BLVD. THOMASVILLE, NC 27360	
G <input type="checkbox"/> General partner or LLC member-manager <input checked="" type="checkbox"/> Limited partner or other LLC member	
H <input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner	
I What type of entity is this partner? (see instructions) LIMITED LIABILITY CO	
J If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here (see instructions) <input type="checkbox"/>	
K Partner's share of profit, loss, and capital (see instructions):	
Beginning Ending	
Profit 50,000,000 % 50,000,000 %	
Loss 50,000,000 % 50,000,000 %	
Capital 50,000,000 % 50,000,000 %	
L Partner's share of liabilities at year end:	
Nonrecourse \$ _____	
Qualified nonrecourse financing \$ _____	
Recourse \$ _____	
M Did the partner contribute property with a built-in gain or loss? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", attach statement (see instructions)	

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss)	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)		C^A 194,802.
12	Section 179 deduction	A	676,250.
13	Other deductions		
		19	Distributions
		20	Other Information
14	Self-employment earnings (loss)		
*See attached statement for additional information.			
For IRS Use Only			

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This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		
Passive loss		
Passive income		
Nonpassive loss		
Nonpassive income		
2. Net rental real estate income (loss)		
3. Other net rental income (loss)		
Net income		
Net loss		
4. Guaranteed payments		
5. Interest income		
6a. Ordinary dividends		
6b. Qualified dividends		
7. Royalties		
8. Net short-term capital gain (loss)		
9a. Net long-term capital gain (loss)		
9b. Collectibles (28%) gain (loss)		
9c. Unrecaptured section 1250 gain		
10. Net section 1231 gain (loss)		
11. Other income (loss)		
Code		
A Other portfolio income (loss)		
B Involuntary conversions		
C Sec. 1256 contracts & straddles		
D Mining exploration costs recapture		
E Cancellation of debt		
F Other income (loss)		
12. Section 179 deduction		
13. Other deductions		
A Cash contributions (50%)		
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Contributions (100%)		
H Investment interest expense		
I Deductions-royalty income		
J Section 59(e)(2) expenditures		
K Deductions-portfolio (2% floor)		
L Deductions-portfolio (other)		
M Amounts paid for medical insurance		
N Educational assistance benefits		
O Dependent care benefits		
P Preproductive period expenses		
Q Commercial revitalization deduction from rental real estate activities		
R Pensions and IRAs		
S Reforestation expense deduction		
T Domestic production activities information		
U Qualified production activities income		
V Employer's Form W-2 wages		
W Other deductions		
14. Self-employment earnings (loss)		
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's instructions before completing Schedule SE.		
A Net earnings (loss) from self-employment		
B Gross farming or fishing income		
C Gross non-farm income		
15. Credits		
A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings		
B Low-income housing credit (other) from pre-2008 buildings		
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
D Low-income housing credit (other) from post-2007 buildings		
E Qualified rehabilitation expenditures (rental real estate)		
F Other rental real estate credits		
G Other rental credits		
H Undistributed capital gains credit		
I Alcohol and cellulosic bio-fuel fuels credit		
J Work opportunity credit		
K Disabled access credit		
L Empowerment zone and renewal community employment credit		
M Credit for increasing research activities		
N Credit for employer social security and Medicare taxes		
O Backup withholding		
P Other credits		
16. Foreign transactions		
A Name of country or U.S. possession		
B Gross income from all sources		
C Gross income sourced at partner level		
Foreign gross income sourced at partnership level		
D Passive category		
E General category		
F Other		
Deductions allocated and apportioned at partner level		
G Interest expense		
H Other		
Deductions allocated and apportioned at partnership level to foreign source income		
I Passive category		
J General category		
K Other		
Other information		
L Total foreign taxes paid		
M Total foreign taxes accrued		
N Reduction in taxes available for credit		
O Foreign trading gross receipts		
P Extraterritorial income exclusion		
Q Other foreign transactions		
17. Alternative minimum tax (AMT) items		
A Post-1986 depreciation adjustment		
B Adjusted gain or loss		
C Depletion (other than oil & gas)		
D Oil, gas, & geothermal - gross income		
E Oil, gas, & geothermal - deductions		
F Other AMT items		
18. Tax-exempt income and nondeductible expenses		
A Tax-exempt interest income		
B Other tax-exempt income		
C Nondeductible expenses		
19. Distributions		
A Cash and marketable securities		
B Distribution subject to section 737		
C Other property		
20. Other information		
A Investment income		
B Investment expenses		
C Fuel tax credit information		
D Qualified rehabilitation expenditures (other than rental real estate)		
E Basis of energy property		
F Recapture of low-income housing credit (section 42(j)(5))		
G Recapture of low-income housing credit (other)		
H Recapture of investment credit		
I Recapture of other credits		
J Look-back interest - completed long-term contracts		
K Look-back interest - income forecast method		
L Dispositions of property with section 179 deductions		
M Recapture of section 179 deduction		
N Interest expense for corporate partners		
O Section 453(i)(3) information		
P Section 453A(c) information		
C Section 1200(b) information		
R Interest allocable to production expenditures		
S CCF nonqualified withdrawals		
T Depletion information - oil and gas		
U Amortization of reforestation costs		
V Unrelated business taxable income		
W Precontribution gain (loss)		
X Section 108(i) information		
Y Other information		

LIQUIDITY GROUP, LLC 20-3735520
SCH K-1 SUPPORTING SCHEDULES PARTNER # 2 BLUE CHIP CAPITAL, LLC

ITEM L - RECONCILIATION OF INCOME

LESS: EXPENSES RECORDED ON BOOKS, NOT INCLUDED ON SCH. K-1:
NONDEDUCTIBLE EXPENSE 194,802.

TOTAL INCOME PER ITEM L, CURRENT YEAR INCR(DEC) -194,802.

LINE 18C - NONDEDUCTIBLE EXPENSES

NONDEDUCTIBLE EXPENSES 194,802.

TOTAL NONDEDUCTIBLE EXPENSES 194,802.

STATEMENT 1

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